Department of Natural Resources



DIVISION OF OIL AND GAS

550 West 7th Avenue, Suite 1100 Anchorage, AK 99501-3560 Main: 907-269-8800 Fax: 907-269-8939

February 8, 2022

Keri Iles Environmental Specialist – Land Use Hilcorp North Slope 3800 Centerpoint Drive #1400 Anchorage, Alaska 99503

RE: LONS 69-026, Hilcorp North Slope, Prudhoe Bay Unit, D Pad, 12 New VSMs Unit Plan of Operations Amendment Decision.

Dear Ms. Iles:

The Alaska Department of Natural Resources, Division of Oil and Gas (Division), in accordance with Alaska Statute 38.05 and Alaska Oil and Gas Leasing Regulations (11 AAC 83) grants authorization to conduct activities on state lands as proposed in the Prudhoe Bay Unit (PBU) Plan of Operations (Plan) amendment request dated January 20, 2022, for the above referenced project.

Scope:

Hilcorp North Slope (HNS) is requesting authorization to install 12 new vertical support members (VSMs) on and adjacent to D Pad in the PBU. Equipment will be stored and refueled on existing roads. The purpose of this project is to mitigate subsidence on existing well lines.

Plan activities include:

• Install 12 new 14-inch diameter VSMs adjacent to existing supports.

Location information:

PBU D Pad

Meridian: Umiat Township: 11N Range: 13E Section: 23

Latitude, Longitude: 70.2946 N, -148.7560 W

ADL: 028285

D Pad is located approximately seven miles northwest of Deadhorse.

Agency review:

The Division provided a review and comment opportunity for the activities considered for authorization under this decision. The following government entities were notified on January 24, 2022, for comment on the Plan: DNR: Division of Mining, Land and Water (DMLW), Department of Environmental Conservation (DEC), Alaska Department of Fish and Game (ADF&G), US Army Corps of Engineers (USACE), and the North Slope Borough (NSB). Comments were submitted by DMLW on February 3, 2022. These comments were considered and resolved in a timely manner.

Conditions/Stipulations:

A certified As-Built survey of the activity shall be provided within one year of placement of the improvement. This As-Built must contain a hard copy, as well as a digital GIS file containing a Shapefile or ESRI Feature Class.

Please attach this amendment approval with the original decision. This unit operations amendment approval is issued in accordance with Alaska Statute 38.05, Alaska Administrative Codes 11 AAC 83.346 and 11 AAC 83.303. The Division reviewed this amendment under the unit regulation for the Plan, 11 AAC 83.346, and considers the factors set forth in 11 AAC 83.303(a) and (b). The amendment was also evaluated against the PBU agreement for conformance.

This approval signifies only that the State of Alaska has no objection to the operations outlined in the Plan amendment application. It does not constitute certification of any property right or land status claimed by the applicant, nor does it relieve the applicant of responsibility to obtain approvals or permits from other persons or governmental agencies that may also be required. All stipulations contained in the original lease and subsequent Plan approvals remain in full force and effect.

If activities have not commenced, this approval expires on February 8, 2025. Failure to comply with the terms and conditions outlined in the lease, the attached stipulations, and this authorization may result in revocation of this unit operations approval.

Any questions or concerns about this amendment may be directed to Natural Resource Specialist Ashley Ethridge at 907-269-8815 or emailed to ashley.ethridge@alaska.gov.

Sincerely,

0050FDD48FD6464...

DocuSigned by:

James Hyun Natural Resource Specialist

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. Under 11 AAC 02.030, appeals and requests for reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a) and (b). This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

Attachments: Figure 1

2018 North Slope Mitigation Measures

ecc: DOG: Graham Smith, James Hyun, Mark Henspeter, Jacob Rowland, Alex Zinck, Heather

Beat, Ryan King, and SPCO Records

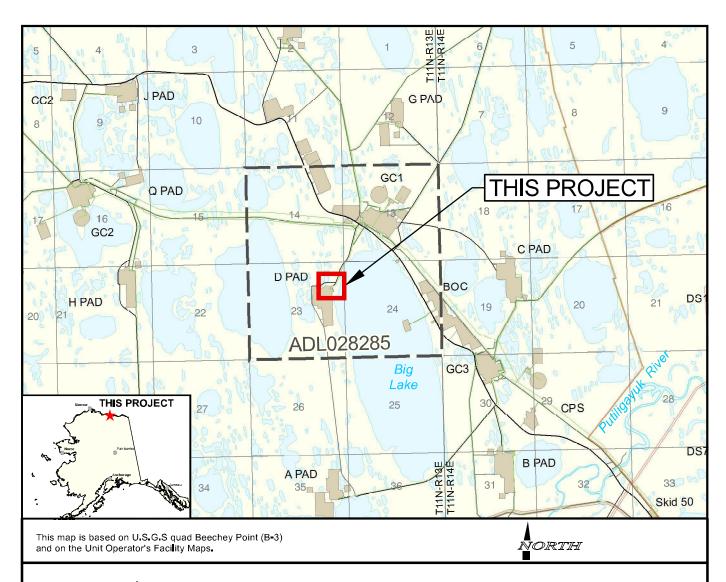
DMLW: Northern Region Office, SAIL Section, and Henry Brooks

ADF&G: Maria Wessel, Audra Brase, and Chelsea Clawson

ADEC: Laurie Silfven and DEC Water Oil and Gas

NSB: Planning Permitting

Other: USACE



PROJECT LOCATION:

PRUDHOE BAY UNIT - D PAD

NAD83

LAT. = 70° 17' 40.647" / DD 70.294624 LONG. = -148° 45' 21.796" / DD -148.756055

ALASKA STATE PLANE ZONE 4, NAD83

X = 1,794,035.90 FEET Y = 5,958,751.47 FEET

ADL # 028285 SEC. 23 T11N, R13E UMIAT M.

DATUM: MEAN SEA LEVEL

ADJACENT PROPERTY OWNER:

STATE OF ALASKA

HILCORP NORTH SLOPE, LLC

PRUDHOE BAY UNIT
D PAD D-06/33 VSM INSTALLATION
VICINITY MAP

DATE: December 2021 SCALE: 1" = 1 Mile FIGURE:

